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June 27, 2002

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

Marlene H. Dortch
Secretary
Office of the Secretary
Federal Communications Commission
Room TW-B-204
445 Twelfth Street, S.W.
Washington, D.C. 20554

**REDACTED -
For Public Inspection**

Re: Application by Verizon New England Inc., Verizon Delaware Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks Inc., and Verizon Select Services Inc., for Authorization To Provide In-Region, InterLATA Services in New Hampshire and Delaware

Dear Ms. Dortch:

This is the cover letter for the Application by Verizon New England Inc., Verizon Delaware Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks Inc., and Verizon Select Services Inc., for Authorization To Provide In-Region, InterLATA Services in New Hampshire and Delaware ("the Application").

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This Application contains confidential information. We are filing confidential and redacted versions of the Application.

1. The Application consists of (a) a stand-alone document entitled Application by Verizon New England and Verizon Delaware for Authorization To Provide In-Region, InterLATA Services in New Hampshire and Delaware (“the Brief”), and (b) supporting documentation. The supporting documentation is organized as follows:

- a. Appendix A includes declarations and attachments thereto in support of the Brief;
 - b. Appendices B-New Hampshire through P-New Hampshire consist of various materials including selected portions of the New Hampshire Public Utilities Commission proceedings, third-party OSS evaluations, Carrier-to-Carrier Guidelines, interconnection agreements, and additional supporting documents;
 - c. Appendices B-Delaware through N-Delaware consist of various materials including selected portions of the Delaware Public Service Commission proceedings, third-party OSS evaluations, Carrier-to-Carrier Guidelines, interconnection agreements, and additional supporting documents;
 - d. Appendices P-New Hampshire and N-Delaware consist of Carrier-to-Carrier reports, Trend Reports, and Summary Measurements Reports.
2. Specifically, we are herewith submitting for filing:
- a. One original of only the portions of the Application that contain confidential information (in paper form, except for certain materials that are being filed only on CD-ROM);
 - b. One original of a redacted Application (in paper form);
 - c. Two copies of the redacted Application (in paper form);
 - d. Three CD-ROM sets containing the Brief and the supporting-documentation portion of the redacted Application; and
 - e. Four additional copies of the redacted Application (partly in paper form and partly on CD-ROM, in accordance with the Commission’s filing requirements), so that each Commissioner may receive a copy.

3. We are also tendering to you certain copies of this letter and of portions of the Application for date-stamping purposes. Please date-stamp and return these materials.

4. Under separate cover, we are submitting copies (redacted as appropriate) of the Application to Ms. Janice Myles, Policy and Program Planning Division, Wireline Competition Bureau, Federal Communications Commission, Room 5-C-327, 445 12th Street, SW, Washington, D.C. 20554. We are also submitting copies (redacted as appropriate) to the Department of Justice, to the **New Hampshire Public Utilities Commission**, to the **Delaware Public Service Commission**, and to Qualex (the Commission's copy contractor).

Thank you for your assistance in this matter. If you have any questions, please call me at 703-351-3860 or Steven McPherson at 703-351-3083.

Very truly yours,

A handwritten signature in black ink, reading "Michael Glover" with a stylized flourish at the end.

Michael E. Glover

Encs.

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)

)
Application by Verizon New England)
Inc., Verizon Delaware Inc., Bell)
Atlantic Communications, Inc. (d/b/a)
Verizon Long Distance), NYNEX Long)
Distance Company (d/b/a Verizon)
Enterprise Solutions), Verizon Global)
Networks Inc., and Verizon Select)
Services Inc., for Authorization To)
Provide In-Region, InterLATA Services)
in New Hampshire and Delaware)

WC Docket No. 02-__

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

APPLICATION BY VERIZON NEW ENGLAND AND VERIZON DELAWARE FOR
AUTHORIZATION TO PROVIDE IN-REGION, INTERLATA SERVICES
IN NEW HAMPSHIRE AND DELAWARE

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June 27, 2002

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Volume 2. Tab B — Declaration of Paul A. Lacouture and Virginia P. Ruesterholz Regarding Delaware (Competitive Checklist — Delaware)

Volume 3. Tab C — Joint Declaration of Kathleen McLean, Raymond Wierzbicki, and Catherine T. Webster Regarding New Hampshire and Delaware (Operations Support Systems — New Hampshire and Delaware)

Tab D — Joint Declaration of Kathleen McLean, Raymond Wierzbicki, and Catherine T. Webster Regarding Delaware (Operations Support Systems — Delaware)

Volume 4. Tab E — Joint Declaration of Elaine M. Guerard, Julie A. Canny, Beth A. Abesamis, and Marilyn C. DeVito (Performance Measurements — New Hampshire and Delaware)

Volume 5. Tab F — Joint Declaration of J. Michael Hickey, Patrick A. Garzillo, and
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 Tab G — Joint Declaration of Joshua W. Martin III, Patrick A. Garzillo,
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 Tab H — Declaration of Susan C. Browning
 (Section 272 Compliance — New Hampshire and Delaware)

 Tab I — Declaration of John A. Torre
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Appendices B-P (New Hampshire): State Record Material. *See* Brief Attachment C.

Appendices B-N (Delaware): State Record Material. *See* Brief Attachment C.

INTRODUCTION AND SUMMARY

Local markets are open and the checklist is satisfied both in New Hampshire and in Delaware. Consumers in these two states are accordingly entitled to the significant benefits that experience has shown will follow from Verizon's entry into the long distance business. Verizon's Application to provide interLATA services originating in New Hampshire and Delaware should be granted.

Local competition is thriving both in New Hampshire and in Delaware. In New Hampshire, competitors now serve more than 144,000 lines. Given the relative size of New Hampshire — about one-fifteenth as many access lines as New York — this degree of competitive entry is proportionately equivalent to approximately 2 million lines in New York. That is nearly double the number of lines that existed in New York at the time of Verizon's application there. It also is proportionately greater than the number of lines that existed in *every* other Verizon state that has received section 271 authority. See Brief Att. A, Ex. 5. And the number of *facilities-based* lines in New Hampshire — which represent more than 70 percent of all competitive lines in the state — is proportionately greater than all but one of the Verizon states that have received section 271 approval. See id. Ex. 6.

In Delaware — where Verizon serves about one-quarter fewer lines than in New Hampshire — competitors now serve approximately 49,000 lines. That is proportionately equivalent to nearly 1 million lines in New York, which is nearly the same number of lines that existed in New York at the time of Verizon's application there. And more than two-thirds of all competitive lines in Delaware are provided using facilities that competing carriers have deployed themselves.

These facts by themselves prove that Verizon's local markets in New Hampshire and Delaware are open. They also reflect the fact that Verizon's checklist offerings in these two

states, as well as the systems and processes used to provide them, are the same as those in the other Verizon states that this Commission previously has found satisfy the requirements of the Act in all respects. The systems in New Hampshire are the same systems that Verizon uses throughout the New England states, and which this Commission has approved on four separate occasions — in Massachusetts, Rhode Island, Vermont, and Maine. The systems in Delaware are the same systems that Verizon uses in Pennsylvania — and, in most respects, also are the same as those in New Jersey — which the Commission has likewise approved. Therefore, many of the conclusions that the Commission reached in approving Verizon's prior section 271 applications apply in New Hampshire and Delaware as well.

Moreover, as was the case in prior applications, Verizon's performance in providing the various checklist items has been excellent across the board. In both New Hampshire and Delaware, Verizon is generally meeting the installation intervals nearly 99 percent or more of the time for providing everything from interconnection trunks to physical collocation, stand-alone loops, platform orders, hot cuts, DSL loops, line-sharing orders, and non-dispatch resale orders. Verizon's performance also has been excellent in Massachusetts and Pennsylvania — where the systems are the same as in New Hampshire and Delaware, respectively, but where volumes are larger.

As in prior applications, Verizon's real-world experience also is confirmed by independent third-party testing. The systems Verizon uses in New Hampshire were tested by KPMG at the time of the Massachusetts application, where the Commission found that such testing provided "persuasive evidence of [Verizon's] OSS readiness." In addition, PricewaterhouseCoopers ("PwC") has concluded that Verizon's systems in New Hampshire are the same as those used in Massachusetts (and throughout the New England states), and the

Commission has found that PwC's analysis "demonstrates that the OSS in Massachusetts are the same as the OSS in" the other New England states. The systems Verizon uses in Delaware were tested by KPMG at the time of the Pennsylvania application, where the Commission found that such testing "provides additional assurance" of Verizon's strong real-world performance. And here, too, PwC has confirmed that Verizon's systems in Delaware are the same systems used in Pennsylvania.

Just as Verizon's performance in New Hampshire and Delaware clearly satisfies the requirements of the 1996 Act, so do its wholesale rates. Both the New Hampshire PUC and the Delaware PSC conducted exhaustive pricing proceedings in which they found that Verizon's rates comply fully with this Commission's TELRIC methodology. The loop and non-loop rates set by the New Hampshire PUC — and the loop rates set by the Delaware PSC — also satisfy the Commission's benchmark standard compared to the newly established TELRIC rates in New York that AT&T and WorldCom have championed in the past.

Verizon also is subject to Performance Assurance Plans in New Hampshire and Delaware that parallel the plans in Verizon's 271-approved states, which the Commission found provide "strong assurance that the local market will remain open after [Verizon] receives section 271 authorization." And the remedy payments at risk annually in New Hampshire and Delaware are proportionately the same as the remedy amounts at risk under the plans in Verizon's 271-approved states.

Moreover, as the Commission has recognized, Verizon's long distance entry will produce enormous benefits. Indeed, actual experience proves that Verizon's entry will both promote local competition and create significant benefits for customers of long distance service.

Local competition has increased dramatically in those in-region states where Verizon and other Bell companies have been authorized to provide long distance service. In New York, for example, local competition exploded after Verizon's entry: competitors in New York served just over one million lines at the time of Verizon's application; today they serve more than three million lines. One independent consumer group has estimated that the increase in *local* competition as a result of Verizon's entry is saving consumers in New York up to *\$400 million per year*. That same group estimates that Verizon's entry will save New Hampshire and Delaware consumers up to \$43 million and \$18 million per year, respectively, on local service.

In addition to prompting the long distance incumbents to enter the local mass market for the first time, Verizon's entry also has allowed it to introduce simpler and less expensive long distance services tailored to benefit the mass-market customers that the long distance incumbents historically have preferred to abandon or ignore. As a result of these innovative new plans, more than 2 million customers in New York have switched their long distance service to Verizon. According to the same consumer group mentioned above, the increase in *long distance* competition as a result of Verizon's entry is already saving consumers in New York up to nearly *\$300 million per year*. That same group estimates that Verizon's entry will save New Hampshire and Delaware consumers up to \$28 million and \$17 million per year, respectively, on long distance service.

By any measure, therefore, Verizon's entry into the long distance market in other states has greatly enhanced both local and long distance competition. Consumers in New Hampshire and Delaware — where Verizon's local markets are open to the same degree as in these other states — are now entitled to receive these same benefits.

The Commission should grant this Application.

I. VERIZON’S APPLICATION SATISFIES THE REQUIREMENTS OF SECTION 271(c)(1)(A).

Verizon meets the requirements to file this Application under so-called “Track A.” See 47 U.S.C. § 271(c)(1)(A). Whether they are viewed collectively or individually, competitors both in New Hampshire and in Delaware are providing service predominantly over their own facilities to both residential and business subscribers.

New Hampshire. Given that New Hampshire is a relatively small state — with only 750,000 switched access lines served by Verizon — the absolute number of lines served by competing carriers necessarily is smaller than in larger states. Nonetheless, on a collective basis, even by the most conservative of estimates, competing carriers in New Hampshire served approximately 104,000 lines as of March 2002 — including approximately 36,000 *residential* lines — either wholly or partially over facilities they deployed themselves (including in all cases their own local switches). See Torre Decl. Att. 1 ¶ 6, Table 1. To put these numbers in perspective, the number of competitive *facilities-based* lines in New Hampshire is proportionately equivalent to approximately 1.5 million lines in New York, which is one-third more than the *total* number of lines served by competitors at the time of Verizon’s long distance application in that state. See Brief Att. A, Exs. 5-6. Likewise, the number of facilities-based *residential* lines in New Hampshire is proportionately equivalent to approximately 485,000 lines in New York. Both the total number of competitive lines in New Hampshire and the number of facilities-based lines also are proportionately greater than existed in Vermont or Maine at the time of Verizon’s applications in those states. See id. And the number of competitive lines being served on a facilities-basis in New Hampshire is greater than the number of lines being served through resale. See Torre Decl. Att. 1 ¶ 6, Table 1. Overall, therefore, competing carriers in New Hampshire unquestionably are providing service on a predominantly facilities basis.

Moreover, just as this is true overall, it also is true of individual carriers. For example, looking at just three of the largest CLECs in New Hampshire, they too are providing service predominantly over their own facilities to business and residential subscribers, both individually and collectively.

AT&T. — AT&T provides service to business and residential customers in New Hampshire using facilities it has deployed itself. See id. Att. 1 ¶ 23.¹ These facilities include AT&T's extensive cable network that serves over half of all New Hampshire homes. See Torre Decl. Att. 1 ¶ 23. Although the information available to Verizon necessarily understates the number of facilities-based lines, AT&T serves approximately *** access lines in New Hampshire either wholly or partially over facilities it has deployed itself (including in all cases its own local switches). See id. Att. 1 ¶ 24. This includes approximately *** residential lines that AT&T serves over its own cable network. See id. AT&T does not appear to serve any customers in New Hampshire through resale. See id.

BayRing Communications. — BayRing also has made significant investments in local facilities throughout New Hampshire, see id. Att. 1 ¶ 26, including fiber and switches that “allow[] it to provide a full range of Internet, local dial tone, long distance voice, and data communication services to both residential and business customers.”² Like AT&T, BayRing is providing service in New Hampshire predominantly over its own facilities.³ Again, while the information available to Verizon necessarily understates the number of facilities-based lines,

¹ AT&T's interconnection agreement with Verizon was approved in 1999. See App. N-NH, Tab 3.

² Comments of BayRing Communications and Lightship Telecom, LLC at 1-2, Access Charge Reform, CC Docket No. 96-262 (FCC filed Jan. 11, 2001).

³ BayRing's interconnection agreement with Verizon was approved in 2001. See App. N-NH, Tab 4.

BayRing serves approximately *** access lines — including approximately *** residential lines — either wholly or partially over facilities that it has deployed itself (including in all cases its own local switches). See Torre Decl. Att. 1 ¶ 27.

Broadview. — Broadview also provides service to business and residential customers in New Hampshire using its own facilities, including a switch in Nashua formerly operated by Network Plus. See id. Att.1 ¶ 28 & n.24.⁴ While the information available to Verizon necessarily understates the number of facilities-based lines, Broadview serves approximately *** access lines — including approximately *** residential lines — either wholly or partially over facilities that it has deployed itself (including in all cases its own local switches). See Torre Decl. Att. 1 ¶ 28. Broadview also serves approximately *** lines — including approximately *** residential lines — using unbundled network element platforms. See id.⁵ In contrast, Broadview serves fewer than *** lines via resale, only *** of which serve residential customers. See Torre Decl. Att. 1 ¶ 28.

Delaware. In the state proceedings, the Delaware Hearing Examiner found that “[t]he evidence here is undisputed that CLECs are serving both residential and business customers at greater than *de minimis* levels and, in fact, greater than or equal to what existed in those smaller states where RBOCs have already received 271 approval from the FCC.” Inquiry into Verizon Delaware Inc.’s Compliance with the Conditions Set Forth in 47 U.S.C. § 271(c), Findings and Recommendations of the Hearing Examiner ¶ 17, Docket No. 02-001 (DE PSC June 3, 2002)

⁴ Broadview is the successor to Network Plus’s interconnection agreement with Verizon, which was approved in 2001. See App. N-NH, Tab 5; see also Torre Decl. Att. 1 ¶ 28 & n.24 (describing Broadview’s acquisition of Network Plus).

⁵ As the Commission previously has held, lines served through unbundled network elements (including pre-assembled platforms of such elements) qualify as a competitor’s own facilities for purposes of the Track A requirements. See Michigan Order ¶ 101; Kansas/Oklahoma Order ¶¶ 41-42.

(“Delaware Hearing Examiner Report”) (App. B-DE, Tab 15). The Hearing Examiner accordingly concluded that Verizon “has made an adequate showing of compliance with Track A requirements.” Id. As the facts on the ground demonstrate, that conclusion is obviously correct.

Like New Hampshire, Delaware is a relatively small state — with only 587,000 switched access lines served by Verizon — so the absolute number of lines served by competing carriers will necessarily be smaller than in larger states. Nonetheless, by the most conservative of estimates, competing carriers in Delaware collectively served approximately 49,000 lines as of March 2002 — including approximately *** **** residential* lines — either wholly or partially over facilities they deployed themselves (including in all cases their own local switches). See Torre Decl. Att. 2 ¶ 6, Table 1. To put these numbers in perspective, the number of competitive lines in Delaware is proportionately equivalent to approximately 1 million lines in New York, which is nearly the same amount of lines served by competitors at the time of Verizon’s long distance application in that state. See Brief Att. A, Exs. 5-6. The number of competitive lines in Delaware — including the number of facilities-based lines — also is greater than existed in Vermont or Maine at the time of Verizon’s applications in those states. See id. And, the number of competitive lines being served on a facilities-basis in Delaware is greater than the number of lines being served through resale. See Torre Decl. Att. 2 ¶ 6, Table 1. Overall, therefore, competing carriers in Delaware unquestionably are providing service on a predominantly facilities-basis.

Moreover, as in New Hampshire, individual carriers in Delaware also are providing service predominantly over their own facilities to business and residential subscribers.

Cavalier. — Cavalier Telephone offers local services in Delaware to business and residential customers using facilities it has deployed itself, including a 730 route-mile fiber-optic

network and at least one circuit switch located in Newark. See id. Att. 2 ¶ 23.⁶ While the information available to Verizon necessarily understates the number of facilities-based lines,⁷ Cavalier serves *** access lines — including approximately *** residential lines — either wholly or partially over facilities that it has deployed itself (including in all cases its own local switches). See Torre Decl. Att. 2 ¶ 24. In contrast, Cavalier serves only *** lines via resale, only *** of which serve residential customers. See id.

II. VERIZON SATISFIES ALL REQUIREMENTS OF THE COMPETITIVE CHECKLIST IN NEW HAMPSHIRE AND DELAWARE.

Verizon unquestionably satisfies the requirements of the competitive checklist both in New Hampshire and in Delaware.

In New Hampshire, Verizon is making all 14 checklist items available under the legally binding obligations in its interconnection agreements, through its SGAT, and, in some cases, through tariffs. See Lacouture/Ruesterholz NH Decl. ¶ 5.⁸ Verizon also is in the process of converting its New Hampshire SGAT into a tariff. See id.; Letter from J. Michael Hickey, President, Verizon New Hampshire, to Thomas B. Getz, Chairman, New Hampshire PUC, DT 01-151 (June 5, 2002) (“June 5, 2002 Verizon Letter”) (App. B-NH, Tab 28); Letter from New Hampshire PUC to J. Michael Hickey, President, Verizon New England, DT 01-151, at 2 (NH PUC June 14, 2002) (“New Hampshire 271 Approval Letter”) (App. B-NH, Tab 30). In Delaware, Verizon is making all 14 checklist items available under the legally binding

⁶ Cavalier is the successor to Conectiv’s interconnection agreement with Verizon, which was approved in 2000. See App. L-DE, Tab 5.

⁷ Indeed, Cavalier has reported to the Delaware PSC that it serves a greater number of lines than Verizon’s data indicate. See Letter from Patricia Stowell, Staff Case Manager, Delaware PSC, to William O’Brien, Senior Hearing Examiner, Delaware PSC, Docket No. 02-001 (Apr. 11, 2002) (App. B-DE, Tab 4).

⁸ There currently is no ongoing litigation under 47 U.S.C. § 252(e)(6) that relates to these approved agreements.

obligations in its interconnection agreements and, in some cases, through tariffs. See Lacouture/Ruesterholz DE Decl. ¶ 5; see also Maine Order ¶ 43 (concluding that provision of checklist items solely through interconnection agreements is a “legal commitment” that “is sufficient for our section 271 analysis”).⁹

Verizon is providing the various checklist items in commercial quantities both in New Hampshire and in Delaware. As of March 2002, Verizon had provided competing carriers in New Hampshire with approximately 59,000 interconnection trunks, 40,000 unbundled loops (including DSL loops and platforms), 34,000 resold lines, 56,000 directory listings, 80,000 ported numbers, and 100 in-service collocation arrangements. See Lacouture/Ruesterholz NH Decl. ¶¶ 12, 41, 86, 333, 374, 389; Brief Att. A, Ex. 1. As of that same date, Verizon had provided competing carriers in Delaware with approximately 25,000 end-office interconnection trunks, 23,500 unbundled loops (including DSL loops and platforms), 13,000 resold lines, 33,000 directory listings, 103,000 ported numbers, and 60 in-service collocation arrangements. See Lacouture/Ruesterholz DE Decl. ¶¶ 14, 44, 82, 325, 363, 377; Brief Att. A, Ex. 2.

Verizon provides service to CLECs in New Hampshire and Delaware using operations support systems (“OSS”) that this Commission has previously found to be checklist compliant. New Hampshire is served by Verizon New England, which historically has served all of the New England states (New Hampshire, Massachusetts, Rhode Island, Vermont, and Maine) using the same common set of systems, processes, and procedures. See Lacouture/Ruesterholz NH Decl.

⁹ The only ongoing litigation under 47 U.S.C. § 252(e)(6) that relates to these approved agreements involves a single suit recently filed by AT&T. On June 25 2002, AT&T filed a Complaint for Declaratory and Injunctive Relief in the United States District Court for the District of Delaware challenging the Delaware PSC’s order establishing non-recurring rates as inconsistent with the Commission’s TELRIC rules. See Complaint for Declaratory and Injunctive Relief, AT&T Communications of Delaware v. Verizon Delaware Inc., No. 02-580 (D. Del. filed June 25, 2002).

¶¶ 7-9. Verizon accordingly uses the same OSS in New Hampshire that it uses throughout the New England states, see id. ¶ 8; McLean/Wierzbicki/Webster NH/DE Decl. ¶ 7, which the Commission has found checklist compliant on four separate occasions, see Massachusetts Order ¶¶ 50, 70, 90, 95, 97, 102; Rhode Island Order ¶¶ 58-71; Vermont Order ¶¶ 39-40; Maine Order ¶ 35.

Verizon has served Delaware through its Pennsylvania operations for many decades. See Lacouture/Ruesterholz DE Decl. ¶ 9. Indeed, much of Delaware is located within the Philadelphia metropolitan area, and the entire state of Delaware is located wholly within LATA 228 — the LATA that includes Philadelphia and surrounding counties in southeastern Pennsylvania. See id. Verizon serves its retail customers in Delaware through Philadelphia retail centers, and provides service across Delaware through a tandem switch that is located in Philadelphia. See id. Verizon uses the same OSS in Delaware that the Commission found checklist compliant in Pennsylvania. See id.; McLean/Wierzbicki/Webster DE Decl. ¶ 7; Pennsylvania Order ¶ 11. The systems in Delaware also are, in most respects, the same as those recently found checklist compliant in New Jersey. See McLean/Wierzbicki/Webster DE Decl. ¶ 15; New Jersey Order ¶ 74.

While the back-end OSS in New Hampshire and Delaware are different, the gateway systems and interfaces that competing carriers use to obtain access to these back-end systems are the same. With the enactment of the 1996 Act, Verizon was required to develop new wholesale systems for use by competing carriers to obtain access to those OSS. See McLean/Wierzbicki/Webster NH/DE Decl. ¶ 13; McLean/Wierzbicki/Webster DE Decl. ¶ 13. Verizon developed a common set of interfaces and gateway systems across the entire footprint of the former Bell Atlantic, and likewise implemented a common set of processes and procedures.

See McLean/Wierzbicki/Webster NH/DE Decl. ¶¶ 7-8; McLean/Wierzbicki/Webster DE Decl. ¶¶ 7-8. Thus, the interfaces and gateway systems available to competing carriers in New Hampshire and Delaware are the same. And the Commission has already found on numerous occasions that these gateway systems and interfaces satisfy the requirements of the Act. See Massachusetts Order ¶¶ 50, 70, 90, 95, 97, 102; Pennsylvania Order ¶ 11; Rhode Island Order ¶¶ 58-71; Vermont Order ¶¶ 39-40; Maine Order ¶¶ 35-36; New Jersey Order ¶ 74; New York Order ¶ 82; Connecticut Order ¶ 51.

Verizon also provides each of the checklist items in New Hampshire and Delaware in the same manner and using the same processes and procedures that Verizon uses in its 271-approved states. With a few minor exceptions, Verizon's checklist offerings in New Hampshire are the same as in Massachusetts, Rhode Island, Vermont, and Maine, see Lacouture/Ruesterholz NH Decl. ¶ 7, where the Commission found that Verizon satisfies the requirements of the Act in all respects, see Massachusetts Order ¶ 1; Rhode Island Order ¶ 1; Vermont Order ¶ 1; Maine Order ¶ 1. Verizon's checklist offerings in Delaware are — with a few minor exceptions — the same as in Pennsylvania, see Lacouture/Ruesterholz DE Decl. ¶ 7, where the Commission likewise found that Verizon satisfies the checklist across the board, see Pennsylvania Order ¶ 1. The checklist offerings in Delaware also are essentially the same offerings as in Verizon's other 271-approved states, which numerous state commissions and this Commission have repeatedly found — including, most recently, in New Jersey — satisfy the Act. See Lacouture/Ruesterholz DE Decl. ¶ 7; New Jersey Order ¶ 1.

The significance of all this is straightforward: It establishes a presumption that the manner in which Verizon provides the checklist items in New Hampshire and Delaware likewise meets the Act's requirements. As the Commission has previously held, where an aspect of an

applicant's checklist showing is "materially indistinguishable" from a showing in another state, the Commission will use its prior determination "as a starting point for [its] review" and "review any new data or information" from the parties only "to determine whether a different result is justified." First Louisiana Order ¶¶ 1, 3; see also Second Louisiana Order ¶ 56 (where BOC "provides access to a particular checklist item through a region-wide process, such as its OSS, [the Commission] will consider both region-wide and state specific evidence in [its] evaluation of that checklist item").

Moreover, this presumption is buttressed both in New Hampshire and in Delaware by the findings of the state commissions in those states. The New Hampshire PUC and the Delaware PSC each conducted a comprehensive investigation of Verizon's checklist compliance that is entitled to maximum deference under the Commission's well-settled precedent.¹⁰

In New Hampshire, the formal docket in the New Hampshire PUC's section 271 proceeding has seen submissions totaling thousands of pages from at least nine main parties other than Verizon; it involved six days of hearings, filling more than 1,200 pages of transcript. The PUC also relied on the extensive work that it performed in other dockets, including a proceeding to establish wholesale rates. See infra pp. 58-64. Based on its extensive investigation, the PUC has concluded that "the evidence presented during our review of [the 271] docket" and "consideration of our decisions in other dockets" "shows that Verizon NH has developed the tariffs, the Statement of Generally Available Terms, interconnection agreements, processes and procedures necessary for a competitive market in New Hampshire." New

¹⁰See, e.g., New York Order ¶ 51 ("Given the 90-day statutory deadline to reach a decision on a section 271 application . . . where the state has conducted an exhaustive and rigorous investigation into the BOC's compliance with the checklist, we may give evidence submitted by the state substantial weight."); Texas Order ¶ 4 (according state commission decision "substantial weight based on the totality of its efforts and the extent of expertise it has developed on section 271 issues").

Hampshire 271 Approval Letter at 4. While the PUC had originally required Verizon to satisfy certain conditions before concluding that Verizon had met the requirements of the Act, the PUC found that Verizon has either agreed to meet those original conditions, or that Verizon has agreed to meet modifications to those original conditions that the PUC has “deemed appropriate.” Id. at 2. The PUC accordingly “find[s] that Verizon NH has taken steps to open the local exchange . . . markets in New Hampshire to competition in accordance with standards set forth in the [1996] Act, including Section 271,” and, in particular, that “Verizon NH has met the 14 point checklist and that entry into the interLATA toll market is in the public interest.” Id. at 4. Based on these findings, the PUC has stated that it “will recommend that the FCC approve Verizon NH’s Section 271 application.” Id.

The section 271 proceeding in Delaware was similarly comprehensive. The formal docket in the Delaware PSC’s section 271 proceeding includes submissions totaling thousands of pages from at least four main parties other than Verizon; it involved two days of hearings, filling approximately 500 pages of transcript. Here, too, the PSC relied on the extensive work that it performed in other dockets, including a proceeding to establish wholesale rates. See infra pp. 64-74. The PSC also appointed a Hearing Examiner to review Verizon’s section 271 filing and to recommend whether the PSC should support Verizon’s Application. See Delaware Hearing Examiner Report ¶¶ 1-5. Based on its evaluation, the Hearing Examiner concluded that, subject to Verizon agreeing to three conditions, the PSC should “provide the FCC with a report concluding that Verizon-DE is in compliance with the market-opening requirements of section 271(c) and has met the public interest standard of Section 271(d)(3)(C).” Id. ¶ 113. Based on its own review, however, the PSC has concluded unequivocally — and without attaching any of the conditions proposed by the Hearing Examiner — that Verizon satisfies the requirements of the

Act and that its Application should be granted. See Inquiry Into Verizon Delaware Inc.’s Compliance with the Conditions Set Forth in 47 U.S.C. Section 271 (Filed February 1, 2002), Transcript at 100-102, Docket No. 02-001 (DE PSC June 25, 2002) (App. M-DE, Tab 14) (“Transcript of PSC Approval”).

As summarized below, the conclusions of the New Hampshire PUC and the Delaware PSC are supported by overwhelming evidence.

First, Verizon’s actual performance in providing access to each of the 14 checklist items in both states is excellent across the board. During the most recent three-month period for which data are available, Verizon’s performance in both New Hampshire and Delaware has been excellent. From February through April 2002, Verizon completed on time at least 96 percent — and in most instances 98 or 99 percent or more — of CLECs’ interconnection trunks, physical collocation arrangements, unbundled loops (including stand-alone loops, hot cuts, platforms, and DSL-capable loops), and non-dispatch resale orders both in New Hampshire and in Delaware. See Lacouture/Ruesterholz NH Decl. ¶¶ 22, 43, 90, 110, 138, 258, 396; Lacouture/Ruesterholz DE Decl. ¶¶ 24, 46, 86, 109, 136, 252, 384. And Verizon’s performance also has remained at these same high levels in Massachusetts and Pennsylvania, where these systems and processes are the same as in New Hampshire and Delaware, respectively, but where volumes are higher. See Lacouture/Ruesterholz NH Decl. ¶¶ 23, 44, 91, 111, 139, 259, 397; Lacouture/Ruesterholz DE Decl. ¶¶ 25, 47, 87, 110, 137, 253, 385.

Second, Verizon’s systems have undergone independent third-party testing that Verizon passed with flying colors. Verizon’s systems in New Hampshire were tested by KPMG in Massachusetts, where the Commission found that such tests provided “persuasive evidence of Verizon’s OSS readiness.” Massachusetts Order ¶ 46; see McLean/Wierzbicki/Webster NH/DE

Decl. ¶ 17. KPMG also performed supplemental testing in Rhode Island, confirming that Verizon's Rhode Island and Massachusetts OSS are the same and that the performance of those systems continues to be excellent. See Rhode Island Order ¶¶ 59-60; McLean/Wierzbicki/Webster NH/DE Decl. ¶ 18. In addition, Verizon's systems have been subject to an attestation evaluation by PwC, which verified that Verizon uses the same systems, processes, and procedures throughout Verizon's New England region, including New Hampshire. See McLean/Wierzbicki/Webster NH/DE Decl. ¶ 11. Verizon's systems in Delaware were tested by KPMG in Pennsylvania, where the Commission found that such testing "provides additional assurance" that Verizon satisfies the checklist. See Pennsylvania Order ¶ 14; McLean/Wierzbicki/Webster DE Decl. ¶¶ 17-18. And here, too, PwC has performed an attestation evaluation that verifies that Verizon uses the same systems, processes, and procedures in Delaware as it uses in Pennsylvania. See McLean/Wierzbicki/Webster DE Decl. ¶ 11. Consistent with the Commission's prior holdings, therefore, the results of the KPMG tests in Massachusetts and Pennsylvania apply with equal force in New Hampshire and Delaware, respectively. See, e.g., Rhode Island Order ¶¶ 59-60 (finding that KPMG's test in Massachusetts "is relevant and should be considered in our evaluation of Verizon's OSS in Rhode Island"); Kansas/Oklahoma Order ¶¶ 3, 108 (concluding that an attestation by Ernst & Young that the systems in Kansas and Oklahoma were the same as those used in Texas "provides reliable evidence that the OSS systems in Texas are relevant and should be considered in our evaluation of SWBT's OSS in Kansas and Oklahoma"); Vermont Order ¶ 40 (relying on evidence about Massachusetts OSS in Vermont); Maine Order ¶ 36 (same).

Third, Verizon reports its performance in New Hampshire and Delaware under measurements that "track Verizon's performance on functions essential to an open, competitive

local market.” Massachusetts Order ¶ 237; see Pennsylvania Order ¶ 3; Guerard/Canny/Abesamis/DeVito Decl. ¶ 36. Verizon uses measurements in New Hampshire that, with minor exceptions, are identical to those used in Massachusetts, Rhode Island, and Vermont. See Guerard/Canny/Abesamis/DeVito Decl. ¶ 18. In Delaware, Verizon uses measurements that, again with minor exceptions, are identical to those used in Pennsylvania. See id. ¶ 24. And, going forward, Verizon will adopt the New York measurements in Delaware. See id. ¶ 27. PwC has verified that Verizon captures and reports its performance measurements the same way throughout the New England states, and the same way in Delaware as in Pennsylvania. See id. ¶¶ 91, 94-95. And, of course, the Commission has found that in Verizon’s New England states and in Pennsylvania, Verizon’s performance measurements satisfy the Act. See Massachusetts Order ¶¶ 44-46; Pennsylvania Order ¶¶ 3, 125, 127; Rhode Island Order ¶ 108; Vermont Order ¶ 74; Maine Order ¶ 63; see also New Jersey Order ¶ 176.

Finally, Verizon is subject to comprehensive Performance Assurance Plans in New Hampshire and Delaware that mirror the plans in Massachusetts, Rhode Island, Vermont, Maine, and New York. The New Hampshire Plan places approximately \$42.8 million in remedy payments at risk annually, an amount that is proportionately the same as the amounts at risk in Massachusetts and New York, see Guerard/Canny/Abesamis/DeVito Decl. ¶¶ 100, 105, and that the Commission has found provides “assurance that the local market will remain open after Verizon receives section 271 authorization,” Massachusetts Order ¶ 236. The Delaware Plan places approximately \$17.6 million in remedy payments at risk annually, an amount that is likewise proportionately the same as the amounts at risk in Massachusetts and New York. See Guerard/Canny/Abesamis/DeVito Decl. ¶ 132. Consequently, these Plans provide added assurance that Verizon will continue to provide high-quality service to competing carriers.

Despite all this, competitors still will likely claim that this Application should be denied. Significantly, however, CLECs raised very few issues during the course of the state proceedings in New Hampshire and Delaware regarding Verizon's compliance with the checklist. And the few issues they did raise already have been addressed by the New Hampshire PUC and the Delaware PSC. In addition, CLECs raised a few complaints that were either individual carrier disputes that are not relevant to this proceeding or requests that Verizon be required to modify its checklist offerings in ways that go beyond the requirements of the Act.

In any event, the Commission repeatedly has made clear that it will evaluate a BOC's performance "based on the totality of the circumstances," and "an apparent disparity in performance for one measure, by itself, may not provide a basis for finding noncompliance with the checklist," Texas Order ¶ 58, if "the performance demonstrated by all the measurements as a whole" shows parity, Kansas/Oklahoma Order ¶ 32. Similarly, the fact that a measure may appear to reflect such a disparity does not necessarily mean that the applicant has not complied with the checklist if the disparity has "little or no competitive significance," or may be traced to CLEC behavior or other "factors outside of [the applicant's] control." New York Order ¶¶ 59, 202; see also Massachusetts Order ¶ 13 ("We may find that statistically significant differences exist, but conclude that such differences have little or no competitive significance in the marketplace. In such cases, we may conclude that the differences are not meaningful in terms of statutory compliance."); Kansas/Oklahoma Order ¶ 32 ("We may also find that the reported performance data is impacted by factors beyond a BOC's control, a finding that would make us less likely to hold the BOC wholly accountable for the disparity.").

Applying these standards here, it is abundantly clear that the checklist requirements are satisfied.

A. Interconnection (Checklist Item 1).

Verizon provides the same forms of interconnection in New Hampshire and Delaware that it provides in states that have already received section 271 approval, and provides them using the same processes and procedures that it uses in those states.¹¹ Moreover, as in Verizon's 271-approved states, real-world experience in New Hampshire and Delaware proves that Verizon is able to meet the large and increasing demand for interconnection. And Verizon's performance in providing interconnection to CLECs in Massachusetts and Pennsylvania, where volumes are higher than in New Hampshire and Delaware, also continues to be excellent.

1. Interconnection Trunks.

Verizon provides competing carriers in New Hampshire and Delaware with the same kinds of interconnection trunks that it provides in its 271-approved states, and provides them using the same processes and procedures that it uses in those states. In New Hampshire, Verizon provides interconnection trunks in the same manner as in Massachusetts, Rhode Island, Vermont, and Maine. See Lacouture/Ruesterholz NH Decl. ¶ 11. In Delaware, Verizon provides interconnection trunks in the same manner as in Pennsylvania. See Lacouture/Ruesterholz DE Decl. ¶ 13. In Verizon's 271-approved states, the Commission found that Verizon provided interconnection to competing carriers that was "equal in quality to the interconnection Verizon

¹¹ The Delaware Hearing Examiner recommended that the PSC condition its approval of Verizon's 271 application on Verizon's agreeing to implement a "managed and bilateral method for changing courses of dealing with CLECs under interconnection agreements in areas of significant economic or operational consequence." Hearing Examiner Report ¶ 112. Verizon explained that this condition should be modified so that it is a default provision that applies only where the parties have not already expressly agreed to a different change of law provision in their interconnection agreement. See Inquiry into Verizon Delaware Inc.'s Compliance with the Conditions Set Forth in 47 U.S.C. § 271(c), Verizon Delaware Inc.'s Exceptions to the Hearing Examiner's Findings and Recommendations at 2-3, 11, Docket No. 02-001, (DE PSC filed June 18, 2002) (App. B-DE, Tab 19). Based on Verizon's clarification, the PSC has found the Hearing Examiner's proposed condition unwarranted. See Transcript of PSC Approval at 100-102.

provides to its own retail operations, and on terms and conditions that are just, reasonable, and nondiscriminatory.” Massachusetts Order ¶ 183; see also Pennsylvania Order ¶ 99; Rhode Island Order ¶ 73; Vermont Order ¶ 45; Maine Order ¶ 52; New Jersey Order ¶ 154. The Commission also found that Verizon “makes interconnection available at any technically feasible point,” and that it therefore demonstrates checklist compliance. Massachusetts Order ¶ 182.¹² The same is true here.

Through March 2002, Verizon has provided 15 competing carriers with approximately 59,000 interconnection trunks in New Hampshire. See Lacouture/Ruesterholz NH Decl. ¶ 12. In Delaware, as of that same date, Verizon has provided 15 competing carriers with approximately 25,000 direct end office interconnection trunks in Delaware plus 42,000 tandem interconnection trunks in Philadelphia that serve end offices in Delaware and Pennsylvania, see Lacouture/Ruesterholz DE Decl. ¶ 14.¹³ These totals are *more* than the number of trunks Verizon has connecting its switches in the entirety of its own interoffice network in these two states. See Lacouture/Ruesterholz NH Decl. ¶ 12; Lacouture/Ruesterholz DE Decl. ¶ 14. Through these trunks, CLECs are exchanging an average of approximately 451 million minutes of traffic per month with Verizon in New Hampshire, and an average of approximately 247

¹² In New Hampshire, Verizon provides interconnection trunks under interconnection agreements and its SGAT. See Lacouture/Ruesterholz NH Decl. ¶ 11. In Delaware, Verizon provides interconnection trunks under interconnection agreements. See Lacouture/Ruesterholz DE Decl. ¶ 13. In both states, Verizon provides interconnection to the trunk sides of end office switches, to Verizon’s signaling network, and provides both one-way and two-way trunks, 64 Kbps Clear Channel trunks, and traditional 56 Kbps trunks. See Lacouture/Ruesterholz NH Decl. ¶¶ 11, 16-17; Lacouture/Ruesterholz DE Decl. ¶¶ 13, 18-19. Verizon also will accept requests from CLECs for interconnection at other technically feasible points. See Lacouture/Ruesterholz NH Decl. ¶ 11; Lacouture/Ruesterholz DE Decl. ¶ 13.

¹³ Verizon does not currently have a tandem switch in Delaware. See Lacouture/Ruesterholz DE Decl. ¶ 14.

million minutes of traffic per month in Delaware. See Lacouture/Ruesterholz NH Decl. ¶ 14; Lacouture/Ruesterholz DE Decl. ¶ 16.

Verizon provides interconnection trunks on time, even in the face of strong commercial demand. From February through April 2002, Verizon met the installation appointments for providing interconnection trunks to CLECs 100 percent of the time both in New Hampshire and in Delaware. See Lacouture/Ruesterholz NH Decl. ¶ 22; Lacouture/Ruesterholz DE Decl. ¶ 24. In Massachusetts and Pennsylvania, where volumes are higher than in New Hampshire and Delaware, Verizon completed 100 percent and 99.66 percent, respectively, of CLEC orders for interconnection trunks on time during those same months. See Lacouture/Ruesterholz NH Decl. ¶ 23; Lacouture/Ruesterholz DE Decl. ¶ 25.¹⁴

Verizon also has undertaken extraordinary efforts to accommodate the demand for interconnection trunks. For example, in 2001, Verizon increased the number of trunks between Verizon's network and CLEC networks by approximately 25 percent in New Hampshire. See Lacouture/Ruesterholz NH Decl. ¶ 13. In Delaware, Verizon increased the number of trunks between Verizon's network and CLEC networks by approximately 28 percent since 2001. See Lacouture/Ruesterholz DE Decl. ¶ 15. Moreover, Verizon has adopted the same trunk

¹⁴ As the Commission has recognized, "the Carrier Working Group in New York has decided to eliminate the 'average interval completed' series of metrics" beginning with the November 2001 report month. Rhode Island Order ¶ 70; see Lacouture/Ruesterholz NH Decl. ¶ 24; Lacouture/Ruesterholz DE Decl. ¶ 26. These measurements are no longer reported in Massachusetts or New Hampshire. See Guerard/Canny/Abesamis/DeVito Decl. ¶ 66. These measurements were reported in Delaware and Pennsylvania during the period covered by this Application, but will be eliminated in those states going forward. See id. Accordingly, the Commission should focus on the missed appointment measurements instead, which the "Commission has given substantial weight . . . in previous section 271 applications." Rhode Island Order ¶ 70; see New Jersey Order ¶ 138 ("We conclude, as we have in prior section 271 orders, that the average completed interval metric is not the most accurate measure of provisioning timeliness."); Massachusetts Order ¶ 92 (finding that the average completed interval "data are not an accurate indicator of Verizon's performance").

forecasting process in New Hampshire that it uses in Massachusetts, Rhode Island, Vermont, and Maine. See Lacouture/Ruesterholz NH Decl. ¶¶ 19-20. And, in Delaware, Verizon has adopted the same trunk forecasting process that it uses in Pennsylvania. See Lacouture/Ruesterholz DE Decl. ¶¶ 21-22. Finally, both in New Hampshire and in Delaware, Verizon provides trunks to competing carriers that are of comparable or better quality than those it provides to itself. See Lacouture/Ruesterholz NH Decl. ¶¶ 31-32; Lacouture/Ruesterholz DE Decl. ¶¶ 33, 35.¹⁵

2. Collocation.

Verizon provides competitors in New Hampshire and Delaware with substantially the same forms of collocation as it provides in its states that have received section 271 approval, using the same processes and procedures. In New Hampshire, Verizon provides collocation in the same manner as in Massachusetts, Rhode Island, Vermont, and Maine. See Lacouture/Ruesterholz NH Decl. ¶ 35. In Delaware, Verizon provides collocation in the same manner as in Pennsylvania. See Lacouture/Ruesterholz DE Decl. ¶ 38. The Commission previously found that Verizon's collocation offerings "satisfy the requirements of sections 251 and 271 of the Act," and that Verizon has taken "steps necessary to implement the collocation

¹⁵ During the course of the state proceeding in Delaware, AT&T and Cavalier complained about Verizon's position regarding the location of the interconnection points for the exchange of traffic with CLECs. But Verizon's practices regarding this issue in Delaware are identical to those in Pennsylvania, see Lacouture/Ruesterholz DE Decl, which the Commission approved, see Pennsylvania Order ¶ 100. Moreover, as the Commission noted in Pennsylvania, "[t]he issue of allocation of financial responsibility for interconnection facilities is an open issue in our Intercarrier Compensation NPRM," and is properly addressed in that proceeding, not in a section 271 review. Id. In any event, while the Delaware Hearing Examiner originally had recommended that the PSC require Verizon to provide "assurances that it will meet applicable requirements with respect to CLEC choices concerning points of interconnection" as a condition of finding that Verizon satisfies the checklist, Delaware Hearing Examiner Report ¶ 112, the PSC has determined that such a condition is unwarranted, see Transcript of PSC Approval at 100-102.

requirements contained in the [Collocation Order] and the Collocation Reconsideration Order.”¹⁶ Massachusetts Order ¶ 194; see Pennsylvania Order ¶ 99; Rhode Island Order ¶¶ 73-74; Vermont Order ¶ 45; Maine Order ¶ 52; New Jersey Order ¶ 154. The same is true in New Hampshire and Delaware. Verizon also has modified its collocation offerings and processes to comply with the Collocation Remand Order.¹⁷ See Lacouture/Ruesterholz NH Decl. ¶ 35; Lacouture/Ruesterholz DE Decl. ¶ 38.

Through March 2002, Verizon has placed in service about 100 collocation arrangements in central offices located throughout New Hampshire. See Lacouture/Ruesterholz NH Decl. ¶ 41. As of that same date, Verizon has placed in service about 60 collocation arrangements in central offices located throughout Delaware. See Lacouture/Ruesterholz DE Decl. ¶ 44.

In both New Hampshire and Delaware, as in Verizon’s 271-approved states, Verizon provides every form of collocation that is required by the Commission’s rules.¹⁸ *First*, in

¹⁶ Deployment of Wireline Services Offering Advanced Telecommunications Capability, First Report and Order and Further Notice of Proposed Rulemaking, 14 FCC Rcd 4761 (1999) (“Collocation Order”), vacated in part, GTE Serv. Corp. v. FCC, 205 F.3d 416 (D.C. Cir. 2000); Deployment of Wireline Services Offering Advanced Telecommunications Capability, Order on Reconsideration and Second Further Notice of Proposed Rulemaking in CC Docket No. 98-147 and Fifth Further Notice of Proposed Rulemaking in CC Docket No. 96-98, 15 FCC Rcd 17806 (2000) (“Collocation Reconsideration Order”).

¹⁷ Deployment of Wireline Services Offering Advanced Telecommunications Capability, Fourth Report and Order, 16 FCC Rcd 15435 (2001) (“Collocation Remand Order”), petitions for review denied, Verizon Tel. Cos. v. FCC, Nos. 01-1371 & 01-1379 (D.C. Cir. June 18, 2002).

¹⁸ As in Massachusetts, Rhode Island, Vermont, Maine, and Pennsylvania, Verizon charges CLECs in New Hampshire and Delaware for power based on the quantity of load amps they request rather than the quantity of fused amps. See Lacouture/Ruesterholz NH Decl. ¶ 78; Lacouture/Ruesterholz DE Decl. ¶ 75. CLECs in all of these states may determine for themselves the quantity of load amps they desire for each feed. See id. The practices in New Hampshire and Delaware are the same as those in Massachusetts, Rhode Island, Vermont, Maine, and Pennsylvania, where the Commission found that Verizon’s collocation power charges were “just, reasonable, and nondiscriminatory.” Massachusetts Order ¶ 199; Pennsylvania Order ¶ 104; see also Rhode Island Order ¶ 73; Vermont Order ¶ 45; Maine Order ¶ 52; New Jersey Order ¶ 154. In Delaware, the PSC has reviewed and approved the collocation

addition to standard physical arrangements, Verizon provides shared, adjacent, and “cageless” forms of collocation in accordance with the Commission’s rules. See Lacouture/Ruesterholz NH Decl. ¶ 57; Lacouture/Ruesterholz DE Decl. ¶ 60; Collocation Order ¶¶ 41-42. Cageless collocation arrangements now represent approximately 50 percent of the collocation arrangements in Verizon’s central offices in New Hampshire, and more than 30 percent of the collocation arrangements in Verizon’s central offices in Delaware. See Lacouture/Ruesterholz NH Decl. ¶ 41; Lacouture/Ruesterholz DE Decl. ¶ 44. *Second*, Verizon permits CLECs the option of establishing controlled-environment vaults or similar structures adjacent to Verizon central offices in which physical collocation space is unavailable. See Lacouture/Ruesterholz NH Decl. ¶ 59; Lacouture/Ruesterholz DE Decl. ¶ 62; Collocation Order ¶ 44; Collocation Reconsideration Order ¶¶ 45-47. *Third*, Verizon provides virtual collocation. See Lacouture/Ruesterholz NH Decl. ¶¶ 38, 41; Lacouture/Ruesterholz DE Decl. ¶¶ 41, 44. *Fourth*, Verizon offers collocation at remote terminals in the same manner as the Commission found compliant in Massachusetts, Pennsylvania, Rhode Island, Vermont, Maine, and New Jersey. See Lacouture/Ruesterholz NH Decl. ¶ 66; Lacouture/Ruesterholz DE Decl. ¶ 69; Massachusetts Order ¶ 196; Rhode Island Order ¶¶ 73-75; Vermont Order ¶ 45; Pennsylvania Order ¶ 99; Maine Order ¶ 52; New Jersey Order ¶ 154. *Finally*, Verizon provides collocation within

power rates. See Lacouture/Ruesterholz DE Decl. ¶ 76. In New Hampshire, the PUC has recently modified its rates for collocation power, and Verizon filed a compliance tariff on June 25, 2002, which Verizon requested go into effect on one day’s notice. See Lacouture/Ruesterholz NH Decl. ¶ 79. Although a few CLECs complained during the state proceedings about Verizon’s practices of charging CLECs for collocation power *before* the PUC’s recent orders on this subject, those claims are now irrelevant because Verizon’s practices are now the same as those in its 271-approved states. And while CLECs have argued that Verizon should reimburse them for the charges paid under Verizon’s old practices, the PUC has agreed that this issue does not affect Verizon’s compliance with the checklist and that “there is a docket pending within which this matter can be resolved.” New Hampshire 271 Approval Letter at 4.

intervals adopted by the state commissions in New Hampshire and Delaware: 76 business days for physical arrangements, and 105 business days for virtual arrangements in New Hampshire, see Lacouture/Ruesterholz NH Decl. ¶ 42; 90 calendar days for physical arrangements, and 60 calendar days for virtual arrangements in Delaware. Lacouture/Ruesterholz DE Decl. ¶ 45; see also Massachusetts Order ¶ 195 (finding that comparable intervals satisfied the checklist); New York Order ¶¶ 73-75 (same).

Verizon provides collocation in a timely manner. From February through April 2002, Verizon completed too few collocation arrangements in either New Hampshire or Delaware to provide meaningful results. See Lacouture/Ruesterholz NH Decl. ¶ 43 (only three new physical collocation arrangements and 11 augments to existing arrangements in New Hampshire); Lacouture/Ruesterholz DE Decl. ¶ 46; (only two new physical collocation arrangements and three augments to existing arrangements in Delaware); Vermont Order ¶ 54; Kansas/Oklahoma Order ¶ 36. Nonetheless, Verizon completed all of these new arrangements and augments in both states on time. See Lacouture/Ruesterholz NH Decl. ¶ 43; Lacouture/Ruesterholz DE Decl. ¶ 46. In Massachusetts and Pennsylvania, where volumes were greater, Verizon also completed all physical collocation arrangements and augments on time from February through April. See Lacouture/Ruesterholz NH Decl. ¶ 44; Lacouture/Ruesterholz DE Decl. ¶ 47.

Finally, Verizon has taken the same extraordinary steps as it has taken in its 271-approved states to make collocation space available in its central offices. For example, Verizon will allow CLECs in New Hampshire and Delaware to tour a central office within 10 days in those rare instances where it cannot accommodate a request for physical collocation, and it will file space-exhaustion notifications as required by the state commissions in those states upon determining that space is not available. See Lacouture/Ruesterholz NH Decl. ¶ 52;

Lacouture/Ruesterholz DE Decl. ¶ 55. Verizon also has implemented methods and procedures to identify when a central office runs out of space for physical collocation, and to post this information on its Website within 10 days of when this occurs. See Lacouture/Ruesterholz NH Decl. ¶ 48; Lacouture/Ruesterholz DE Decl. ¶ 51.¹⁹

B. Unbundled Network Elements (Checklist Items 2, 4, 5, and 6).

Verizon provides competing carriers in New Hampshire and Delaware with commercial volumes of unbundled network elements, including unbundled local loops, local switching, and local transport. In both states, Verizon provides these network elements using the same processes and procedures that it uses in Verizon states that have received section 271 approval. Through March 2002, Verizon has provided approximately 40,000 unbundled loops to CLECs in New Hampshire and approximately 23,500 loops to CLECs in Delaware. See Lacouture/Ruesterholz NH Decl. ¶ 86; Lacouture/Ruesterholz DE Decl. ¶ 82. Moreover, Verizon has kept pace with rapidly increasing demand; it consistently delivers unbundled elements on time, when competing carriers request them.

1. Unbundled Local Loops.

Verizon makes available to competing carriers in New Hampshire and Delaware the same types of unbundled loops it makes available in its states that have received section 271 approval,

¹⁹ During the course of the state proceedings in New Hampshire, CTC claimed that Verizon improperly billed CTC for certain recurring and non-recurring charges associated with certain collocation arrangements. See Lacouture/Ruesterholz NH Decl. ¶ 72. But the Commission has held that billing disputes such as this are not properly the subject of a section 271 proceeding. See, e.g., Vermont Order ¶ 46 (“CTC’s claim does not suggest a systemic failure, but instead appears to be a carrier-specific dispute concerning Verizon’s conduct . . . as the Commission has found in prior proceedings, we find that the section 208 complaint process is the more appropriate forum to examine this type of carrier-specific allegation.”). In any event, as explained in detail in the Lacouture/Ruesterholz declaration regarding New Hampshire, CTC’s claims fail both as a factual matter and as a legal matter. See Lacouture/Ruesterholz NH Decl. ¶¶ 73-77.